

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA**

In re: PROWEST MEDIA CORPORATION [Debtor]

Case No. 10-12153

**CHAPTER 11  
MONTHLY OPERATING REPORT  
(GENERAL BUSINESS CASE)**

**SUMMARY OF FINANCIAL STATUS**

MONTH ENDED: Jul-10

PETITION DATE: 06/03/10

1. Debtor in possession (or trustee) hereby submits this Monthly Operating Report on the Accrual Basis of accounting (or if checked here the Office of the U.S. Trustee or the Court has approved the Cash Basis of Accounting for the Debtor):  
Dollars reported in \$1

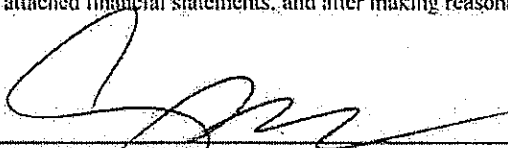
|   | End of Current<br>Month | End of Prior<br>Month | As of Petition<br>Filing     |
|---|-------------------------|-----------------------|------------------------------|
| 2. Asset and Liability Structure                              |                         |                       |                              |
| a. Current Assets   | \$263,506               | \$260,025             |                              |
| b. Total Assets   | \$2,385,347             | \$2,379,865           | \$104,500                    |
| c. Current Liabilities  | \$11,645                | \$6,163               |                              |
| d. Total Liabilities  | \$2,896,107             | \$2,890,625           | \$2,884,462                  |
|   |                         |                       | Cumulative                   |
| 3. Statement of Cash Receipts & Disbursements for Month       | Current Month           | Prior Month           | (Case to Date)               |
| a. Total Receipts   | \$117,533               | \$98,889              | \$216,423                    |
| b. Total Disbursements  | \$109,307               | \$97,313              | \$193,262                    |
| c. Excess (Deficiency) of Receipts Over Disbursements (a - b) | \$8,226                 | \$1,577               | \$23,161                     |
| d. Cash Balance Beginning of Month                            | \$5,623                 | \$4,046               | \$4,153                      |
| e. Cash Balance End of Month (c + d)                          | \$13,849                | \$5,623               | \$27,314                     |
|   | Current Month           | Prior Month           | Cumulative<br>(Case to Date) |
| 4. Profit/(Loss) from the Statement of Operations             | \$2,691                 | (\$759)               |                              |
| 5. Account Receivables (Pre and Post Petition)                | \$7,922                 | \$10,798              |                              |
| 6. Post-Petition Liabilities                                  | \$11,645                | \$6,163               |                              |
| 7. Past Due Post-Petition Account Payables (over 30 days)     | \$0                     | \$0                   |                              |

At the end of this reporting month:

- |  | Yes | No |
|--|-----|----|
| 8. Have any payments been made on pre-petition debt, other than payments in the normal course to secured creditors or lessors? (if yes, attach listing including date of payment, amount of payment and name of payee) |     | X  |
| 9. Have any payments been made to professionals? (if yes, attach listing including date of payment, amount of payment and name of payee)   |     | X  |
| 10. If the answer is yes to 8 or 9, were all such payments approved by the court?  |     |    |
| 11. Have any payments been made to officers, insiders, shareholders, relatives? (if yes, attach listing including date of payment, amount and reason for payment, and name of payee)                                   | X   |    |
| 12. Is the estate insured for replacement cost of assets and for general liability?  | X   |    |
| 13. Are a plan and disclosure statement on file?   | X   |    |
| 14. Was there any post-petition borrowing during this reporting period?  |     | X  |
15. Check if paid: Post-petition taxes X; U.S. Trustee Quarterly Fees X; Check if filing is current for: Post-petition tax reporting and tax returns: X.  
(Attach explanation, if post-petition taxes or U.S. Trustee Quarterly Fees are not paid current or if post-petition tax reporting and tax return filings are not current.)

I declare under penalty of perjury I have reviewed the above summary and attached financial statements, and after making reasonable inquiry believe these documents are correct.

Date: 0-19-2010

Responsible Individual 

# STATEMENT OF OPERATIONS

(General Business Case)

For the Month Ended 07/31/10

| Current Month |           |            |  | Cumulative<br>(Case to Date) | Next Month<br>Forecast |
|---------------|-----------|------------|--|------------------------------|------------------------|
| Actual        | Forecast  | Variance   |  |                              |                        |
| \$117,533     | \$105,250 | \$12,283   | Revenues:  |                              |                        |
| \$2,628       | \$2,500   | (\$128)    | 1 Gross Sales  | \$216,423                    | \$95,000               |
| \$114,906     | \$102,750 | \$12,156   | 2 less: Sales Returns & Allowances                                   | \$2,002                      | \$1,500                |
| \$16,373      | \$2,500   | (\$13,873) | 3 Net Sales  | \$214,421                    | \$93,500               |
| \$98,533      | \$100,250 | (\$1,717)  | 4 less: Cost of Goods Sold (Schedule 'B')                            | \$2,853                      | \$2,500                |
| \$0           |           | \$0        | 5 Gross Profit   | \$211,568                    | \$91,000               |
|               |           | \$0        | 6 Interest   | \$0                          | \$0                    |
|               |           | \$0        | 7 Other Income:  | \$0                          | \$0                    |
|               |           | \$0        | 8  |                              |                        |
|               |           | \$0        | 9  |                              |                        |
| \$98,533      | \$100,250 | (\$1,717)  | 10 Total Revenues  | \$211,568                    | \$91,000               |
| \$0           | \$2,313   | \$2,313    | Expenses:  |                              |                        |
| \$24,461      | \$24,200  | (\$261)    | 11 Compensation to Owner(s)/Officer(s)                               | \$1,077                      | \$0                    |
|               |           | \$0        | 12 Salaries  | \$47,857                     | \$25,485               |
|               |           | \$0        | 13 Commissions   | \$0                          | \$0                    |
|               |           | \$0        | 14 Contract Labor  | \$0                          | \$0                    |
|               |           | \$0        | Rent/Lease:  |                              |                        |
|               |           | \$0        | 15 Personal Property   | \$0                          | \$0                    |
|               |           | \$0        | 16 Real Property   | \$0                          | \$8,918                |
| \$752         | \$6,750   | \$5,998    | 17 Insurance   | \$8,489                      | \$1,100                |
|               |           | \$0        | 18 Management Fees   | \$0                          | \$0                    |
|               |           | \$0        | 19 Depreciation  | \$0                          | \$0                    |
|               |           | \$0        | Taxes:   |                              |                        |
| \$5,967       |           | (\$5,967)  | 20 Employer Payroll Taxes  | \$5,967                      | \$9,822                |
|               |           | \$0        | 21 Real Property Taxes   | \$0                          |                        |
|               |           | \$0        | 22 Other Taxes   | \$0                          | \$750                  |
| \$107         | \$875     | \$768      | 23 Other Selling   | \$982                        | \$350                  |
| \$13,554      | \$12,500  | (\$1,054)  | 24 Other Administrative  | \$25,175                     | \$12,500               |
|               |           | \$0        | 25 Interest  | \$0                          | \$0                    |
|               |           | \$0        | 26 Other Expenses:   |                              |                        |
| \$5,854       | \$19,500  | \$13,646   | 27 DVD Replication & Printing  | \$23,916                     | \$2,750                |
| \$783         | \$3,500   | \$2,717    | 28 Hardware & Software Service & Expense                             | \$4,471                      | \$1,850                |
| \$44,365      | \$30,000  | (\$14,365) | 29 Film Production   | \$73,709                     | \$15,000               |
|               |           | \$0        | 30   |                              |                        |
|               |           | \$0        | 31   |                              |                        |
|               |           | \$0        | 32   |                              |                        |
|               |           | \$0        | 33   |                              |                        |
|               |           | \$0        | 34   |                              |                        |
| \$95,842      | \$99,638  | \$3,796    | 35 Total Expenses  | \$191,642                    | \$78,525               |
| \$2,691       | \$612     | \$2,079    | 36 Subtotal  | \$19,926                     | \$12,475               |
|               |           | \$0        | Reorganization Items:  |                              |                        |
|               |           | \$0        | 37 Professional Fees   | \$0                          | \$0                    |
|               |           | \$0        | 38 Provisions for Rejected Executory Contracts                       | \$0                          | \$0                    |
|               |           | \$0        | 39 Interest Earned on Accumulated Cash from<br>Resulting Chp 11 Case | \$0                          | \$0                    |
|               |           | \$0        | 40 Gain or (Loss) from Sale of Equipment                             | \$0                          | \$0                    |
|               |           | \$0        | 41 U.S. Trustee Quarterly Fees                                       | \$0                          | \$975                  |
|               |           | \$0        | 42   |                              |                        |
| \$0           | \$0       | \$0        | 43 Total Reorganization Items  | \$0                          | \$975                  |
| \$2,691       | \$612     | \$2,079    | 44 Net Profit (Loss) Before Federal & State Taxes                    | \$19,926                     | \$13,450               |
| \$0           | \$1,513   | \$1,513    | 45 Federal & State Income Taxes                                      | \$1,513                      | \$0                    |
| \$2,691       | (\$901)   | \$3,592    | 46 Net Profit (Loss)   | \$18,413                     | \$13,450               |

Attach an Explanation of Variance to Statement of Operations (For variances greater than +/- 10% only):

**BALANCE SHEET**  
**(General Business Case)**  
For the Month Ended 07/31/10

**Assets**

|  |   | <u>From Schedules</u> | <u>Market Value</u> |
|--|---|-----------------------|---------------------|
| <b>Current Assets</b>                        |   |                       |                     |
| 1  | Cash and cash equivalents - unrestricted    |                       | \$3,923             |
| 2  | Cash and cash equivalents - restricted      |                       | \$0                 |
| 3  | Accounts receivable (net)                   | A                     | \$7,922             |
| 4  | Inventory                                   | B                     | \$228,661           |
| 5  | Prepaid expenses                            |                       | \$0                 |
| 6  | Professional retainers                      |                       | \$25,000            |
| 7  | Other: _____                                |                       |                     |
| 8  | _____                                       |                       |                     |
| 9  | <b>Total Current Assets</b>                 |                       | <b>\$265,506</b>    |
| <b>Property and Equipment (Market Value)</b> |   |                       |                     |
| 10   | Real property                               | C                     | \$0                 |
| 11   | Machinery and equipment                     | D                     | \$429,993           |
| 12   | Furniture and fixtures                      | D                     | \$0                 |
| 13   | Office equipment                            | D                     | \$6,070             |
| 14   | Leasehold improvements                      | D                     | \$4,685             |
| 15   | Vehicles                                    | D                     | \$11,798            |
| 16   | Other: _____                                | D                     |                     |
| 17   | _____                                       | D                     |                     |
| 18   | _____                                       | D                     |                     |
| 19   | <b>Copyrights, Trademark &amp; Goodwill</b> | D                     | <b>\$1,365,552</b>  |
| 20   | _____                                       | D                     |                     |
| 21   | <b>Total Property and Equipment</b>         |                       | <b>\$1,818,098</b>  |
| <b>Other Assets</b>                          |   |                       |                     |
| 22   | Loans to shareholders                       |                       | \$0                 |
| 23   | Loans to affiliates                         |                       | \$5,000             |
| 24   | Unreleased Film(s)                          |                       | \$289,543           |
| 25   | _____                                       |                       | \$0                 |
| 26   | _____                                       |                       | \$7,200             |
| 27   | _____                                       |                       |                     |
| 28   | <b>Total Other Assets</b>                   |                       | <b>\$301,743</b>    |
| 29   | <b>Total Assets</b>                         |                       | <b>\$2,385,347</b>  |

**NOTE:**

Indicate the method used to estimate the market value of assets (e.g., appraisals; familiarity with comparable market prices, etc.) and the date the value was determined.

**Liabilities and Equity**  
(General Business Case)

**Liabilities From Schedules**

**Post-Petition**

**Current Liabilities**

|    |  |   |          |
|----|--|---|----------|
| 30 | Salaries and wages   |   |          |
| 31 | Payroll taxes  |   | \$11,277 |
| 32 | Real and personal property taxes                                       |   |          |
| 33 | Income taxes   |   |          |
| 34 | Sales taxes  |   | \$368    |
| 35 | Notes payable (short term)   |   | \$0      |
| 36 | Accounts payable (trade)   | A | \$0      |
| 37 | Real property lease arrearage  |   | \$0      |
| 38 | Personal property lease arrearage                                      |   | \$0      |
| 39 | Accrued professional fees  |   | \$0      |
| 40 | Current portion of long-term post-petition debt (due within 12 months) |   | \$0      |
| 41 | Other:   |   |          |
| 42 |  |   |          |
| 43 |  |   |          |

|    |                                  |  |                 |
|----|----------------------------------|--|-----------------|
| 44 | <b>Total Current Liabilities</b> |  | <b>\$11,645</b> |
|----|----------------------------------|--|-----------------|

45 **Long-Term Post-Petition Debt, Net of Current Portion**

|    |  |  |                 |
|----|--|--|-----------------|
| 46 | <b>Total Post-Petition Liabilities</b> |  | <b>\$11,645</b> |
|----|--|--|-----------------|

**Pre-Petition Liabilities (allowed amount)**

|    |                           |   |             |
|----|---------------------------|---|-------------|
| 47 | Secured claims            | F | \$1,485,000 |
| 48 | Priority unsecured claims | F | \$743,842   |
| 49 | General unsecured claims  | F | \$655,620   |

|    |                                       |  |                    |
|----|---------------------------------------|--|--------------------|
| 50 | <b>Total Pre-Petition Liabilities</b> |  | <b>\$2,884,462</b> |
|----|---------------------------------------|--|--------------------|

|    |                          |  |                    |
|----|--------------------------|--|--------------------|
| 51 | <b>Total Liabilities</b> |  | <b>\$2,896,107</b> |
|----|--------------------------|--|--------------------|

**Equity (Deficit)**

|    |  |  |             |
|----|--|--|-------------|
| 52 | Retained Earnings/(Deficit) at time of filing          |  | (\$712,230) |
| 53 | Capital Stock  |  |             |
| 54 | Additional paid-in capital                             |  | \$200,000   |
| 55 | Cumulative profit/(loss) since filing of case          |  | \$1,470     |
| 56 | Post-petition contributions/(distributions) or (draws) |  | \$0         |
| 57 |  |  |             |
| 58 | Market value adjustment                                |  | \$0         |

|    |                               |  |                    |
|----|-------------------------------|--|--------------------|
| 59 | <b>Total Equity (Deficit)</b> |  | <b>(\$510,760)</b> |
|----|-------------------------------|--|--------------------|

|    |   |  |                    |
|----|---|--|--------------------|
| 60 | <b>Total Liabilities and Equity (Deficit)</b> |  | <b>\$2,385,347</b> |
|----|---|--|--------------------|

**SCHEDULES TO THE BALANCE SHEET**  
(General Business Case)

**Schedule A**

**Accounts Receivable and (Net) Payable**

| <b>Receivables and Payables Agings</b> | <b>Accounts Receivable<br/>[Pre and Post Petition]</b> | <b>Accounts Payable<br/>[Post Petition]</b> | <b>Past Due<br/>Post Petition Debt</b> |
|--|--|---|--|
| 0 -30 Days                             | \$3,508  |   |  |
| 31-60 Days                             | \$1,404  |   |  |
| 61-90 Days                             | \$627  |   |  |
| 91+ Days                               | \$2,383  |   | \$0                                    |
| Total accounts receivable/payable      | \$7,922  | \$0   |  |
| Allowance for doubtful accounts        |  |   |  |
| Accounts receivable (net)              | \$7,922  |   |  |

**Schedule B**

**Inventory/Cost of Goods Sold**

| <b>Types and Amount of Inventory(ies)</b> | <b>Inventory(ies)<br/>Balance at<br/>End of Month</b> | <b>Cost of Goods Sold</b>           |                 |
|---|---|-------------------------------------|-----------------|
|   |   | <b>Inventory Beginning of Month</b> | 239212          |
|   |   | <b>Add -</b>                        |                 |
| Retail/Restaurants -                      |   | Net purchase                        | \$5,854         |
| Product for resale                        | \$0   | Direct labor                        | \$0             |
|   |   | Manufacturing overhead              | \$0             |
| Distribution -                            |   | Freight in                          | \$0             |
| Products for resale                       | \$0   | Other:                              |                 |
|   |   |                                     |                 |
| Manufacturer -                            |   |                                     |                 |
| Raw Materials                             |   |                                     |                 |
| Work-in-progress                          |   |                                     |                 |
| Finished goods                            |   |                                     |                 |
| Other - Explain                           |   |                                     |                 |
|   |   |                                     |                 |
| <b>TOTAL</b>                              | \$0   | <b>Less -</b>                       |                 |
|   |   | Inventory End of Month              | \$228,661       |
|   |   | Shrinkage                           | \$32            |
|   |   | Personal Use                        | \$0             |
|   |   | <b>Cost of Goods Sold</b>           | <b>\$16,373</b> |

**Method of Inventory Control**

Do you have a functioning perpetual inventory system?

Yes ☐ No ☐

How often do you take a complete physical inventory?

Weekly ☐  
Monthly ☐  
Quarterly ☐  
Semi-annually ☒  
Annually ☐

Date of last physical inventory was 3/31/2010 0:00

Date of next physical inventory is 8/30/2010 0:00

**Inventory Valuation Methods**

Indicate by a checkmark method of inventory used.

Valuation methods -

FIFO cost ☐  
LIFO cost ☐  
Lower of cost or market ☒  
Retail method ☐  
Other ☐  
Explain ☐

**Schedule C  
Real Property**

| <b>Description</b>     | <b><u>Cost</u></b> | <b><u>Market Value</u></b> |
|------------------------|--------------------|----------------------------|
| <u>None Applicable</u> |                    |                            |
|                        |                    |                            |
|                        |                    |                            |
|                        |                    |                            |
|                        |                    |                            |
| <b>Total</b>           | <b>\$0</b>         | <b>\$0</b>                 |

**Schedule D  
Other Depreciable Assets**

| <b>Description</b>                     | <b><u>Cost</u></b> | <b><u>Market Value</u></b> |
|--|--------------------|----------------------------|
| <b>Machinery &amp; Equipment -</b>     |                    |                            |
| <u>CSG Masters &amp; Sub-Masters</u>   | <u>\$5,000</u>     | <u>\$750</u>               |
| <u>CSG Images</u>                      | <u>\$15,000</u>    | <u>\$850</u>               |
| <u>CSG Films [Completed, Released]</u> | <u>\$3,357,132</u> | <u>\$428,393</u>           |
| <u>CSG Website Assets</u>              | <u>\$1,000</u>     | <u>\$0</u>                 |
|  |                    |                            |
|  |                    |                            |
| <b>Total</b>                           | <b>\$3,378,132</b> | <b>\$429,993</b>           |
| <b>Furniture &amp; Fixtures -</b>      |                    |                            |
|  |                    |                            |
|  |                    |                            |
|  |                    |                            |
| <b>Total</b>                           | <b>\$0</b>         | <b>\$0</b>                 |
| <b>Office Equipment -</b>              |                    |                            |
| <u>Office Equipment</u>                | <u>\$36,272</u>    | <u>\$1,435</u>             |
| <u>Office Hardware &amp; Software</u>  | <u>\$33,547</u>    | <u>\$4,635</u>             |
|  |                    |                            |
| <b>Total</b>                           | <b>\$69,819</b>    | <b>\$6,070</b>             |
| <b>Leasehold Improvements -</b>        |                    |                            |
| <u>Leasehold Improvements</u>          | <u>\$7,208</u>     | <u>\$0</u>                 |
| <u>Legal Fees</u>                      | <u>\$23,000</u>    | <u>\$4,685</u>             |
|  |                    |                            |
| <b>Total</b>                           | <b>\$30,208</b>    | <b>\$4,685</b>             |
| <b>Vehicles -</b>                      |                    |                            |
| <u>Automotive Equipment</u>            | <u>\$31,473</u>    | <u>\$11,798</u>            |
|  |                    |                            |
|  |                    |                            |
| <b>Total</b>                           | <b>\$31,473</b>    | <b>\$11,798</b>            |

**Schedule E**  
**Aging of Post-Petition Taxes**  
**(As of End of the Current Reporting Period)**

| <b>Taxes Payable</b>                 | <b><u>0-30 Days</u></b> | <b><u>31-60 Days</u></b> | <b><u>61-90 Days</u></b> | <b><u>91+ Days</u></b> | <b><u>Total</u></b> |
|--------------------------------------|-------------------------|--------------------------|--------------------------|------------------------|---------------------|
| <b>Federal</b>                       |                         |                          |                          |                        |                     |
| Income Tax Withholding               | \$5,925                 |                          |                          |                        | \$5,925             |
| FICA - Employee                      | \$2,196                 |                          |                          |                        | \$2,196             |
| FICA - Employer                      | \$2,196                 |                          |                          |                        | \$2,196             |
| Unemployment (FUTA)                  | \$0                     |                          |                          |                        | \$0                 |
| Income                               | \$0                     |                          |                          |                        | \$0                 |
| Other (Attach List)                  | \$0                     |                          |                          |                        | \$0                 |
| <b>Total Federal Taxes</b>           | <b>\$10,317</b>         | <b>\$0</b>               | <b>\$0</b>               | <b>\$0</b>             | <b>\$10,317</b>     |
| <b>State and Local</b>               |                         |                          |                          |                        |                     |
| Income Tax Withholding               | \$2,253                 |                          |                          |                        | \$2,253             |
| Unemployment (UT)                    | \$0                     |                          |                          |                        | \$0                 |
| Disability Insurance (DI)            | \$390                   |                          |                          |                        | \$390               |
| Empl. Training Tax (ETT)             | \$0                     |                          |                          |                        | \$0                 |
| Sales                                | \$368                   |                          |                          |                        | \$368               |
| Excise                               | \$0                     |                          |                          |                        | \$0                 |
| Real property                        | \$0                     |                          |                          |                        | \$0                 |
| Personal property                    | \$0                     |                          |                          |                        | \$0                 |
| Income                               | \$0                     |                          |                          |                        | \$0                 |
| Other (Attach List)                  | \$0                     |                          |                          |                        | \$0                 |
| <b>Total State &amp; Local Taxes</b> | <b>\$3,011</b>          | <b>\$0</b>               | <b>\$0</b>               | <b>\$0</b>             | <b>\$3,011</b>      |
| <b>Total Taxes</b>                   | <b>\$13,328</b>         | <b>\$0</b>               | <b>\$0</b>               | <b>\$0</b>             | <b>\$13,328</b>     |

**Schedule F**  
**Pre-Petition Liabilities**

| <b><u>List Total Claims For Each Classification -</u></b> | <b><u>Claimed Amount</u></b> | <b><u>Allowed Amount (b)</u></b> |
|---|------------------------------|----------------------------------|
| Secured claims (a)  | \$1,485,000                  | \$1,485,000                      |
| Priority claims other than taxes                          | \$0                          | \$0                              |
| Priority tax claims                                       | \$743,842                    | \$743,842                        |
| General unsecured claims                                  | \$655,620                    | \$655,620                        |

- (a) List total amount of claims even if under secured.
- (b) Estimated amount of claim to be allowed after compromise or litigation. As an example, you are a defendant in a lawsuit alleging damage of \$10,000,000 and a proof of claim is filed in that amount. You believe that you can settle the case for a claim of \$3,000,000. For Schedule F reporting purposes you should list \$10,000,000 as the Claimed Amount and \$3,000,000 as the Allowed Amount.

**Schedule G**  
**Rental Income Information**  
**Not applicable to General Business Cases**

**Schedule H**  
**Recapitulation of Funds Held at End of Month**

|   | <b><u>Account 1</u></b> | <b><u>Account 2</u></b> | <b><u>Account 3</u></b> | <b><u>Account 4</u></b> |
|---|-------------------------|-------------------------|-------------------------|-------------------------|
| Bank  | Sonoma Valley Bnk       |                         |                         |                         |
| Account Type                                | DIP/Checking            |                         |                         |                         |
| Account No.                                 | 8409                    |                         |                         |                         |
| Account Purpose                             | Operations              |                         |                         |                         |
| Balance, End of Month                       | \$13,849                |                         |                         |                         |
| <b>Total Funds on Hand for all Accounts</b> | <b>\$13,849</b>         |                         |                         |                         |

Attach copies of the month end bank statement(s), reconciliation(s), and the check register(s) to the Monthly Operating Report.

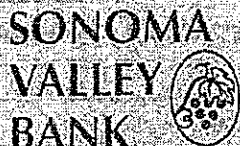
# STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS

Increase/(Decrease) in Cash and Cash Equivalents

For the Month Ended 07/31/10

|                           |  | Actual<br>Current Month | Cumulative<br>(Case to Date) |
|---------------------------|--|-------------------------|------------------------------|
| <b>Cash Receipts</b>      |  |                         |                              |
| 1                         | Rent/Leases Collected                                | \$0                     | \$0                          |
| 2                         | Cash Received from Sales                             | \$117,533               | \$216,423                    |
| 3                         | Interest Received                                    | \$0                     | \$0                          |
| 4                         | Borrowings   | \$0                     | \$0                          |
| 5                         | Funds from Shareholders, Partners, or Other Insiders | \$0                     | \$0                          |
| 6                         | Capital Contributions                                | \$0                     | \$0                          |
| 7                         |  |                         |                              |
| 8                         |  |                         |                              |
| 9                         |  |                         |                              |
| 10                        |  |                         |                              |
| 11                        |  |                         |                              |
| 12                        | <b>Total Cash Receipts</b>                           | <b>\$117,533</b>        | <b>\$216,423</b>             |
| <b>Cash Disbursements</b> |  |                         |                              |
| 13                        | Payments for Inventory                               | \$5,854                 | \$23,917                     |
| 14                        | Selling  | \$107                   | \$1,089                      |
| 15                        | Administrative                                       | \$13,554                | \$25,175                     |
| 16                        | Capital Expenditures                                 | \$44,365                | \$73,708                     |
| 17                        | Principal Payments on Debt                           | \$0                     | \$0                          |
| 18                        | Interest Paid  | \$0                     | \$0                          |
|                           | Rent/Lease:  |                         |                              |
| 19                        | Personal Property                                    | \$0                     | \$0                          |
| 20                        | Real Property  | \$0                     | \$0                          |
|                           | Amount Paid to Owner(s)/Officer(s)                   |                         |                              |
| 21                        | Salaries   | \$0                     | \$1,077                      |
| 22                        | Draws  |                         |                              |
| 23                        | Commissions/Royalties                                |                         |                              |
| 24                        | Expense Reimbursements                               |                         |                              |
| 25                        | Other  |                         |                              |
| 26                        | Salaries/Commissions (less employee withholding)     | \$24,461                | \$47,856                     |
| 27                        | Management Fees                                      | \$0                     | \$0                          |
|                           | Taxes:   |                         |                              |
| 28                        | Employee Withholding                                 |                         |                              |
| 29                        | Employer Payroll Taxes                               | \$5,967                 | \$5,967                      |
| 30                        | Real Property Taxes                                  |                         |                              |
| 31                        | Other Taxes  | \$0                     | \$1,513                      |
| 32                        | Other Cash Outflows:                                 |                         |                              |
| 33                        | Hardware and Software Expenses & Service             | \$783                   | \$4,471                      |
| 34                        | Insurance  | \$752                   | \$8,488                      |
| 35                        | Check(s) [in Transit]                                | \$13,465                |                              |
| 36                        |  |                         |                              |
| 37                        |  |                         |                              |
| 38                        | <b>Total Cash Disbursements:</b>                     | <b>\$109,307</b>        | <b>\$193,262</b>             |
| 39                        | <b>Net Increase (Decrease) in Cash</b>               | <b>\$8,226</b>          | <b>\$23,161</b>              |
| 40                        | <b>Cash Balance, Beginning of Period</b>             | <b>\$5,623</b>          | <b>\$4,153</b>               |
| 41                        | <b>Cash Balance, End of Period</b>                   | <b>\$13,849</b>         | <b>\$27,314</b>              |





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PROWEST MEDIA CORPORATION  
DBA COLT STUDIO GROUP  
P O BOX 1550  
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165 840.9 BUSINESS ANALYSIS BANKRUPTCY ENCLOSURE COUNT 56

|                   |         |            |
|-------------------|---------|------------|
| Previous Balance  | 6-30-10 | 5,623.05   |
| +Deposits/Credits | 62      | 122,818.89 |
| -Checks/Debits    | 144     | 114,537.07 |
| -Service Charge   |         | 55.62      |
| +Interest Paid    |         | .00        |
| Current Balance   |         | 13,849.25  |

| * - - - - DAILY BALANCE SUMMARY - - - - - * |          |      |          |      |          |
|---|----------|------|----------|------|----------|
| Date  | Balance  | Date | Balance  | Date | Balance  |
| 6-30  | 5623.05  | 7-01 | 7334.24  | 7-02 | 238.27   |
| 7-06  | 13990.89 | 7-07 | 10840.89 | 7-08 | 2485.32  |
| 7-09  | 1482.13  | 7-12 | 4740.54  | 7-13 | 5217.45  |
| 7-14  | 928.90   | 7-15 | 11085.54 | 7-16 | 9758.19  |
| 7-19  | 7761.84  | 7-20 | 5082.95  | 7-21 | 5496.05  |
| 7-22  | 4397.21  | 7-23 | 17876.91 | 7-26 | 12142.24 |
| 7-27  | 10179.37 | 7-28 | 9634.55  | 7-29 | 7858.25  |
| 7-30  | 13904.87 | 7-31 | 13849.25 |      |          |

| * - - - - PAPER-LESS AND OTHER DESCRIPTIVE ENTRIES - - - - * |        |                                |         |
|--|--------|--------------------------------|---------|
| Date   | Tracer | Description                    | Amount  |
| 7-01   | 19181  | AMERICAN EXPRESS SETTLEMENT    | 1518.06 |
| 7-01   | 2182   | PROWEST MEDIA15048704191       |         |
| 7-01   | 2182   | BANKCARD MTOT DEP              | 414.31  |
| 7-01   | 2182   | PROWEST MEDIA BANKCARD DISCOU. | 15.70   |
| 7-01   | 2182   | PROWEST MEDIA CORP. INST XFER  | 5.98    |
| 7-02   | 2183   | TOM SETTLE                     |         |
| 7-02   | 2183   | BANKCARD MTOT DEP              | 2190.26 |
| 7-02   | 2183   | PROWEST MEDIA CORP. PAYROLL    | 1092.96 |
| 7-02   | 2183   | PROWEST MEDIA CORPORAT PAYROLL | 1071.94 |
| 7-02   | 2183   | PROWEST MEDIA CORPORAT PAYROLL | 957.44  |
| 7-02   | 2183   | PROWEST MEDIA CORPORAT PAYROLL | 942.74  |
| 7-02   | 2183   | PROWEST MEDIA CORPORAT PAYROLL | 762.54  |
| 7-02   | 2183   | PROWEST MEDIA CORPORAT         |         |
| 7-02   | 2183   | ENDICIA-USPS POS ONLINE PMT    | 300.00  |
| 7-02   | 2183   | SETTLE TOM                     |         |
| 7-02   | 2183   | ENDICIA-USPS POS ONLINE PMT    | 300.00  |



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|      |       |                             |            |
|------|-------|-----------------------------|------------|
| 7-02 | 2183  | SETTLE TOM                  |            |
|      |       | BANKCARD                    | DISCOUNT   |
|      |       | PROWEST MEDIA CORP.         | 83.00-     |
| 7-06 |       | DEPOSIT                     | 24500.00   |
| 7-06 |       | DEPOSIT                     | 25.45      |
| 7-06 | 1187  | BANKCARD                    | MTOT DEP   |
|      |       | PROWEST MEDIA CORP.         | 1839.87    |
| 7-06 | 1187  | BANKCARD                    | MTOT DEP   |
|      |       | PROWEST MEDIA CORP.         | 700.13     |
| 7-06 | 1187  | BANKCARD                    | MTOT DEP   |
|      |       | PROWEST MEDIA CORP.         | 609.42     |
| 7-06 | 19183 | AMERICAN EXPRESS SETTLEMENT | 257.46     |
|      |       | PROWEST MEDI15048704191     |            |
| 7-06 | 1187  | AMERICAN EXPRESS SETTLEMENT | 113.39     |
|      |       | PROWEST MEDI15048704191     |            |
| 7-06 | 1187  | AMAZON.COM                  | Retail dis |
|      |       | Prowest Media Corporat      | 25.03      |
| 7-06 | 1187  | U. P. S.                    | UPS BILL   |
|      |       | PROWEST MEDIA CORPORAT      | 4000.00-   |
| 7-06 | 1187  | U. P. S.                    | UPS BILL   |
|      |       | PROWEST MEDIA CORPORAT      | 1341.71-   |
| 7-06 | 1187  | BANKCARD                    | MTOT DISC  |
|      |       | PROWEST MEDIA CORP.         | 894.82-    |
| 7-06 | 1187  | Payroll                     | PAYROLL    |
|      |       | PROWEST MEDIA CORPORAT      | 250.00-    |
| 7-06 | 1187  | BANKCARD                    | DISCOUNT   |
|      |       | PROWEST MEDIA CORP.         | 69.74-     |
| 7-06 | 1187  | BANKCARD                    | DISCOUNT   |
|      |       | PROWEST MEDIA CORP.         | 26.54-     |
| 7-06 | 1187  | BANKCARD                    | DISCOUNT   |
|      |       | PROWEST MEDIA CORP.         | 23.10-     |
| 7-08 | 1189  | BANKCARD                    | MTOT DEP   |
|      |       | PROWEST MEDIA CORP.         | 7237.73    |
| 7-08 | 2189  | ENDICIA-USPS POS ONLINE PMT | 300.00-    |
|      |       | SETTLE TOM                  |            |
| 7-08 | 2189  | ENDICIA-USPS POS ONLINE PMT | 300.00-    |
|      |       | SETTLE TOM                  |            |
| 7-08 | 1189  | BANKCARD                    | DISCOUNT   |
|      |       | PROWEST MEDIA CORP.         | 274.31-    |
| 7-08 | 2189  | ENDICIA-USPS POS ONLINE PMT | 50.00-     |
|      |       | SETTLE TOM                  |            |
| 7-08 | 2189  | PAYPAL                      | INST XFER  |
|      |       | TOM SETTLE                  | .99-       |
| 7-08 | 36    | Outgoing Wire 21433         | 13968.00-  |
| 7-09 | 1190  | BANKCARD                    | MTOT DEP   |
|      |       | PROWEST MEDIA CORP.         | 2344.41    |



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|      |       |                             |          |
|------|-------|-----------------------------|----------|
| 7-09 | 19189 | AMERICAN EXPRESS SETTLEMENT | 1441.80  |
| 7-09 | 2190  | PROWEST MEDI5048704191      |          |
| 7-09 | 2190  | AT&T PAYMENT                | 1072.36- |
| 7-09 | 2190  | TOM SETTLE                  |          |
| 7-09 | 13189 | ENDICIA-USPS POS ONLINE PMT | 300.00-  |
| 7-09 | 1190  | SETTLE TOM                  |          |
| 7-12 | 1193  | U. P. S. UPS BILL           | 145.49-  |
| 7-12 | 1193  | PROWEST MEDIA CORPORAT      |          |
| 7-12 | 1193  | BANKCARD DISCOUNT           | 88.85-   |
| 7-12 | 1193  | PROWEST MEDIA CORP.         |          |
| 7-12 | 1193  | DEPOSIT                     | 45.40    |
| 7-12 | 1193  | BANKCARD MTOT DEP           | 7099.31  |
| 7-12 | 1193  | PROWEST MEDIA CORP          |          |
| 7-12 | 1193  | AMERICAN EXPRESS SETTLEMENT | 5249.24  |
| 7-12 | 1193  | PROWEST MEDI5048704191      |          |
| 7-12 | 1193  | BANKCARD MTOT DEP           | 1412.68  |
| 7-12 | 1193  | PROWEST MEDIA CORP          |          |
| 7-12 | 19190 | AMERICAN EXPRESS SETTLEMENT | 107.03   |
| 7-12 | 1193  | PROWEST MEDI5048704191      |          |
| 7-12 | 1193  | AMAZON.COM Retail dis       | 29.28    |
| 7-12 | 1193  | Prowest Media Corporat      |          |
| 7-12 | 1193  | Payroll PAYROLL             | 1092.97- |
| 7-12 | 1193  | PROWEST MEDIA CORPORAT      |          |
| 7-12 | 1193  | Payroll PAYROLL             | 1071.95- |
| 7-12 | 1193  | PROWEST MEDIA CORPORAT      |          |
| 7-12 | 1193  | Payroll PAYROLL             | 957.44-  |
| 7-12 | 1193  | PROWEST MEDIA CORPORAT      |          |
| 7-12 | 1193  | Payroll PAYROLL             | 942.73-  |
| 7-12 | 1193  | PROWEST MEDIA CORPORAT      |          |
| 7-12 | 1193  | Payroll PAYROLL             | 762.55-  |
| 7-12 | 1193  | PROWEST MEDIA CORPORAT      |          |
| 7-12 | 1193  | BANKCARD DISCOUNT           | 269.07-  |
| 7-12 | 1193  | PROWEST MEDIA CORP          |          |
| 7-12 | 1193  | Payroll PAYROLL             | 250.00-  |
| 7-12 | 1193  | PROWEST MEDIA CORPORAT      |          |
| 7-12 | 1193  | AUTHNET GATEWAY BILLING     | 59.05-   |
| 7-12 | 1193  | PROWEST MEDIA CORPORAT      |          |
| 7-12 | 1193  | BANKCARD DISCOUNT           | 53.53-   |
| 7-12 | 1193  | PROWEST MEDIA CORP          |          |
| 7-12 | 1193  | ENDICIA-USPS POS ONLINE PMT | 50.00-   |
| 7-12 | 1193  | SETTLE TOM                  |          |
| 7-13 | 1194  | BANKCARD MTOT DEP           | 1561.47  |
| 7-13 | 2194  | PROWEST MEDIA CORP          |          |
| 7-13 | 2194  | ENDICIA-USPS POS ONLINE PMT | 300.00-  |
| 7-13 | 2194  | SETTLE TOM                  |          |
| 7-13 | 2194  | AT&T PAYMENT                | 230.30-  |





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|      |       | TEMPORARYACCOUNTNAME        |          |
|------|-------|-----------------------------|----------|
| 7-13 | 1194  | BANKCARD DISCOUNT           | 59.17-   |
| 7-14 | 1195  | PROWEST MEDIA CORP          |          |
|      |       | BANKCARD MTOT DEP           | 2455.13  |
| 7-14 | 19194 | PROWEST MEDIA CORP          |          |
|      |       | AMERICAN EXPRESS SETTLEMENT | 142.34   |
| 7-14 | 1195  | PROWEST MEDI5048704191      |          |
|      |       | PUW CO-OP PUWC PYMT         | 1066.74- |
| 7-14 | 2195  | SETTLE TOM                  |          |
|      |       | ENDICIA-USPS POS ONLINE PMT | 300.00-  |
| 7-14 | 1195  | SETTLE TOM                  |          |
|      |       | BANKCARD DISCOUNT           | 93.04-   |
| 7-15 | 29    | PROWEST MEDIA CORP          |          |
|      |       | Incoming Wire 3097359       | 9980.00  |
| 7-15 | 1196  | BANKCARD MTOT DEP           | 496.57   |
|      |       | PROWEST MEDIA CORP          |          |
| 7-15 | 19195 | AMERICAN EXPRESS SETTLEMENT | 95.95    |
|      |       | PROWEST MEDI5048704191      |          |
| 7-15 | 2196  | PAYPAL INST XFER            | 42.00-   |
|      |       | TOM SETTLE                  |          |
| 7-15 | 1196  | BANKCARD DISCOUNT           | 18.82-   |
|      |       | PROWEST MEDIA CORP          |          |
| 7-16 | 2197  | BANKCARD MTOT DEP           | 2089.54  |
|      |       | PROWEST MEDIA CORP          |          |
| 7-16 | 19196 | AMERICAN EXPRESS SETTLEMENT | 157.44   |
|      |       | PROWEST MEDI5048704191      |          |
| 7-16 | 13196 | U. P. S. UPS BILL           | 270.56-  |
|      |       | PROWEST MEDIA CORPORAT      |          |
| 7-16 | 2197  | ATT Payment                 | 142.58-  |
|      |       | Prowest Media Corporat      |          |
| 7-16 | 2197  | BANKCARD DISCOUNT           | 79.20-   |
|      |       | PROWEST MEDIA CORP          |          |
| 7-16 | 2197  | PAYPAL INST XFER            | 18.00-   |
|      |       | TOM SETTLE                  |          |
| 7-16 | 2197  | PAYPAL INST XFER            | 13.99-   |
|      |       | TOM SETTLE                  |          |
| 7-19 |       | DEPOSIT                     | 534.59   |
| 7-19 |       | DEPOSIT                     | 29.07    |
| 7-19 | 2200  | BANKCARD MTOT DEP           | 1815.30  |
|      |       | PROWEST MEDIA CORP          |          |
| 7-19 | 1200  | BANKCARD MTOT DEP           | 519.30   |
|      |       | PROWEST MEDIA CORP          |          |
| 7-19 | 1200  | AMERICAN EXPRESS SETTLEMENT | 278.38   |
|      |       | PROWEST MEDI5048704191      |          |
| 7-19 | 19197 | AMERICAN EXPRESS SETTLEMENT | 56.46    |
|      |       | PROWEST MEDI5048704191      |          |



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|      |       |                             |            |          |
|------|-------|-----------------------------|------------|----------|
| 7-19 | 1200  | AMAZON.COM                  | Retail dis | 19.08    |
| 7-19 | 1200  | Prowest Media Corporat      |            |          |
| 7-19 | 1200  | Payroll                     | PAYROLL    | 1092.96- |
| 7-19 | 1200  | PROWEST MEDIA CORPORAT      |            |          |
| 7-19 | 1200  | Payroll                     | PAYROLL    | 1071.94- |
| 7-19 | 1200  | PROWEST MEDIA CORPORAT      |            |          |
| 7-19 | 1200  | Payroll                     | PAYROLL    | 957.45-  |
| 7-19 | 1200  | PROWEST MEDIA CORPORAT      |            |          |
| 7-19 | 1200  | Payroll                     | PAYROLL    | 942.73-  |
| 7-19 | 1200  | PROWEST MEDIA CORPORAT      |            |          |
| 7-19 | 1200  | Payroll                     | PAYROLL    | 762.54-  |
| 7-19 | 1200  | ENDICIA-USPS POS ONLINE PMT |            |          |
| 7-19 | 2200  | SETTLE TOM                  |            | 300.00-  |
| 7-19 | 13197 | BANKCARD                    | DISCOUNT   | 68.80-   |
| 7-19 | 1200  | PROWEST MEDIA CORP.         |            |          |
| 7-19 | 13197 | U. P. S.                    | UPS BILL   | 30.59-   |
| 7-19 | 1200  | 000000640825374             |            |          |
| 7-19 | 13197 | BANKCARD                    | DISCOUNT   | 19.69-   |
| 7-19 | 13197 | PROWEST MEDIA CORP.         |            |          |
| 7-19 | 13197 | U. P. S.                    | UPS BILL   | 1.83-    |
| 7-19 | 13197 | 000000646430155             |            |          |
| 7-20 | 2201  | SPRINT8006396111            | ACHBILLPAY |          |
| 7-20 | 13200 | THOMAS SETTLE               |            |          |
| 7-20 | 2201  | BANKCARD                    | MTOT DEP   | 423.48   |
| 7-20 | 13200 | PROWEST MEDIA CORP.         |            |          |
| 7-20 | 2201  | U. P. S.                    | UPS BILL   | 538.83-  |
| 7-20 | 2201  | PROWEST MEDIA CORPORAT      |            |          |
| 7-20 | 2201  | ENDICIA-USPS POS ONLINE PMT |            | 300.00-  |
| 7-20 | 2201  | SETTLE TOM                  |            |          |
| 7-20 | 2201  | Payroll Service Fee         |            | 47.49-   |
| 7-20 | 2201  | Settle, Tom                 |            |          |
| 7-21 | 1202  | BANKCARD                    | DISCOUNT   | 16.05-   |
| 7-21 | 1202  | PROWEST MEDIA CORP.         |            |          |
| 7-21 | 1202  | BANKCARD                    | MTOT DEP   | 3027.86  |
| 7-21 | 1202  | PROWEST MEDIA CORP.         |            |          |
| 7-21 | 1202  | BANKCARD                    | DISCOUNT   | 114.76-  |
| 7-22 | 34    | PROWEST MEDIA CORP.         |            |          |
| 7-22 | 34    | DEPOSIT                     |            | 71.95    |
| 7-22 | 34    | DEPOSIT                     |            | 45.40    |
| 7-22 | 2203  | Incoming Wire 3128182       |            | 6324.17  |
| 7-22 | 2203  | WMM HOLDINGS CRP COMMISSION |            | 1986.22  |
| 7-22 | 1203  | PROWEST MEDIA CORP.         |            |          |
| 7-22 | 1203  | BANKCARD                    | MTOT DEP   | 1222.63  |
| 7-22 | 34    | PROWEST MEDIA CORP.         |            |          |
| 7-22 | 34    | Incoming Wire 3125260       |            | 425.00   |





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|      |       |                             |            |          |
|------|-------|-----------------------------|------------|----------|
| 7-22 | 2203  | Zinio LLC                   | Zinio      | 74.90    |
| 7-22 | 1203  | COLT Studio Group           |            |          |
|      |       | BANKCARD                    | DISCOUNT   | 49.11-   |
| 7-23 | 31    | PROWEST MEDIA CORP.         |            |          |
| 7-23 | 1204  | Incoming Wire 3135250       |            | 15236.30 |
|      |       | BANKCARD                    | MTOT DEP   | 258.65   |
| 7-23 | 19203 | PROWEST MEDIA CORP.         |            |          |
|      |       | AMERICAN EXPRESS SETTLEMENT |            | 188.90   |
| 7-23 | 13203 | PROWEST MEDI5048704191      |            |          |
|      |       | U. P. S.                    | UPS BILL   | 1144.35- |
| 7-23 | 2204  | PROWEST MEDIA CORPORAT      |            |          |
|      |       | ENDICIA-USPS POS ONLINE PMT |            | 50.00-   |
| 7-23 | 1204  | SETTLE TOM                  |            |          |
|      |       | BANKCARD                    | DISCOUNT   | 9.80-    |
| 7-26 | 1207  | PROWEST MEDIA CORP.         |            |          |
|      |       | BANKCARD                    | MTOT DEP   | 2899.60  |
| 7-26 | 19204 | PROWEST MEDIA CORP.         |            |          |
|      |       | AMERICAN EXPRESS SETTLEMENT |            | 951.15   |
| 7-26 | 1207  | PROWEST MEDI5048704191      |            |          |
|      |       | AMERICAN EXPRESS SETTLEMENT |            | 498.82   |
| 7-26 | 2207  | PROWEST MEDI5048704191      |            |          |
|      |       | BANKCARD                    | MTOT DEP   | 250.84   |
| 7-26 | 1207  | PROWEST MEDIA CORP.         |            |          |
|      |       | AMAZON.COM                  | Retail dis | 26.73    |
| 7-26 | 1207  | Prowest Media Corporat      |            |          |
|      |       | Payroll                     | PAYROLL    | 1092.96- |
| 7-26 | 1207  | PROWEST MEDIA CORPORAT      |            |          |
|      |       | Payroll                     | PAYROLL    | 1071.94- |
| 7-26 | 1207  | PROWEST MEDIA CORPORAT      |            |          |
|      |       | Payroll                     | PAYROLL    | 957.44-  |
| 7-26 | 1207  | PROWEST MEDIA CORPORAT      |            |          |
|      |       | Payroll                     | PAYROLL    | 942.74-  |
| 7-26 | 2207  | PROWEST MEDIA CORPORAT      |            |          |
|      |       | AT&T                        | PAYMENT    | 800.27-  |
| 7-26 | 1207  | TOM SETTLE                  |            |          |
|      |       | Payroll                     | PAYROLL    | 762.56-  |
| 7-26 | 1207  | PROWEST MEDIA CORPORAT      |            |          |
|      |       | Payroll                     | PAYROLL    | 250.00-  |
| 7-26 | 1207  | PROWEST MEDIA CORPORAT      |            |          |
|      |       | BANKCARD                    | DISCOUNT   | 109.90-  |
| 7-26 | 2207  | PROWEST MEDIA CORP.         |            |          |
|      |       | BANKCARD                    | DISCOUNT   | 10.08-   |
| 7-26 | 13204 | PROWEST MEDIA CORP.         |            |          |
|      |       | SAFECO INSURANCE INS PREM   |            |          |
| 7-27 | 1208  | JOHN B RUTHERFORD           |            |          |
|      |       | BANKCARD                    | MTOT DEP   | 1249.34  |

**SONOMA  
VALLEY  
BANK**



202 WEST NAPA STREET  
SONOMA CALIFORNIA 95476



PROWEST MEDIA CORPORATION  
DBA COLT STUDIO GROUP  
P O BOX 1550  
BOYES HOT SPRINGS, CA 95416

7-31-10  
PAGE 7

\*\*\*\*\* ALL SVB NON-INTEREST AND INTEREST EARNING CHECKING \*\*\*\*\*  
\*\*\*\*\* ACCOUNTS ARE FULLY INSURED BY THE FDIC TO THE FULL \*\*\*\*\*  
\*\*\*\*\* ACCOUNT BALANCE. ALL OTHER ACCOUNTS ARE INSURED FOR \*\*\*\*\*  
\*\*\*\*\* AT LEAST \$250,000 BASED UPON COMBINED ACCOUNT VESTING. \*\*\*\*\*

|      |       |                             |          |
|------|-------|-----------------------------|----------|
| 7-27 | 13207 | PROWEST MEDIA CORP.         |          |
|      |       | SAFECO INS. CO. WEB PAYMNT  | 364.37-  |
| 7-27 | 2208  | PROWEST MEDIA CORPORAT      |          |
|      |       | ENDICIA-USPS POS ONLINE PMT | 300.00-  |
| 7-27 | 2208  | SETTLE TOM                  |          |
|      |       | ENDICIA-USPS POS ONLINE PMT | 300.00-  |
| 7-27 | 1208  | SETTLE TOM                  |          |
|      |       | BANKCARD DISCOUNT           | 47.84-   |
|      |       | PROWEST MEDIA CORP.         |          |
| 7-28 |       | DEPOSIT                     | 331.06   |
| 7-28 |       | DEPOSIT                     | 118.95   |
| 7-28 | 2209  | BANKCARD MTOT DEP           | 786.25   |
|      |       | PROWEST MEDIA CORP.         |          |
| 7-28 | 19208 | AMERICAN EXPRESS SETTLEMENT | 248.72   |
|      |       | PROWEST MEDI5048704191      |          |
| 7-28 | 2209  | BANKCARD DISCOUNT           | 29.80-   |
|      |       | PROWEST MEDIA CORP.         |          |
| 7-29 |       | DEPOSIT                     | 104.40   |
| 7-29 | 1210  | BANKCARD MTOT DEP           | 643.70   |
|      |       | PROWEST MEDIA CORP.         |          |
| 7-29 | 1210  | BANKCARD DISCOUNT           | 24.40-   |
|      |       | PROWEST MEDIA CORP.         |          |
| 7-30 |       | DEPOSIT                     | 7546.14  |
| 7-30 | 1211  | BANKCARD MTOT DEP           | 480.93   |
|      |       | PROWEST MEDIA CORP.         |          |
| 7-30 | 19210 | AMERICAN EXPRESS SETTLEMENT | 5.92     |
|      |       | PROWEST MEDI5048704191      |          |
| 7-30 | 13210 | U. P. S. UPS BILL           | 1236.50- |
|      |       | PROWEST MEDIA CORPORAT      |          |
| 7-30 | 1211  | BANKCARD DISCOUNT           | 19.73-   |
|      |       | PROWEST MEDIA CORP.         |          |
| 7-31 | 999   | SERVICE CHARGE              | 55.62-   |

| * - - - - - CHECKS PAID - - - - - * |      |         |       |      |         |
|-------------------------------------|------|---------|-------|------|---------|
| No.                                 | Date | Amount  | No.   | Date | Amount  |
| 7004                                | 7-02 | 300.00  | 7034  | 7-07 | 1000.00 |
| 7005                                | 7-06 | 3857.62 | 7035  | 7-12 | 1000.00 |
| 7018*                               | 7-02 | 750.00  | 7037* | 7-14 | 2628.66 |
| 7022*                               | 7-02 | 1575.61 | 7038  | 7-02 | 350.00  |
| 7023                                | 7-06 | 875.00  | 7039  | 7-08 | 700.00  |
| 7027*                               | 7-20 | 500.00  | 7041* | 7-06 | 590.98  |
| 7028                                | 7-15 | 107.12  | 7042  | 7-12 | 527.50  |
| 7029                                | 7-01 | 199.50  | 7043  | 7-12 | 110.26  |
| 7031*                               | 7-02 | 200.00  | 7044  | 7-09 | 82.70   |
| 7032                                | 7-06 | 138.62  | 7045  | 7-06 | 1850.00 |
| 7033                                | 7-02 | 600.00  | 7046  | 7-07 | 1850.00 |





202 WEST NAPA STREET  
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7-31-10  
PAGE 8

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ALL SVB NON-INTEREST AND INTEREST EARNING CHECKING  
ACCOUNTS ARE FULLY INSURED BY THE FDIC TO THE FULL  
ACCOUNT BALANCE. ALL OTHER ACCOUNTS ARE INSURED FOR  
AT LEAST \$250,000 BASED UPON COMBINED ACCOUNT VESTING.

\*\*\*\*\*  
\*\*\*\*\*  
\*\*\*\*\*  
\*\*\*\*\*

|       |      |          |       |      |         |
|-------|------|----------|-------|------|---------|
| 7047  | 7-07 | 300.00   | 7068  | 7-27 | 1000.00 |
| 7048  | 7-12 | 387.48   | 7069  | 7-26 | 500.00  |
| 7049  | 7-16 | 1200.00  | 7070  | 7-15 | 247.94  |
| 7050  | 7-27 | 1200.00  | 7071  | 7-16 | 1500.00 |
| 7053* | 7-14 | 1208.00  | 7072  | 7-16 | 350.00  |
| 7054  | 7-13 | 495.09   | 7075* | 7-26 | 478.30  |
| 7055  | 7-09 | 2750.00  | 7076  | 7-26 | 235.62  |
| 7056  | 7-09 | 350.00   | 7077  | 7-23 | 500.00  |
| 7058* | 7-12 | 1300.00  | 7079* | 7-28 | 2000.00 |
| 7059  | 7-12 | 1500.00  | 7083* | 7-30 | 475.00  |
| 7060  | 7-12 | 350.00   | 7084  | 7-30 | 255.14  |
| 7061  | 7-22 | 11200.00 | 7085  | 7-29 | 2500.00 |
| 7063* | 7-21 | 2400.00  | *     | 7-26 | 300.00  |
| 7064  | 7-20 | 1700.00  | *     | 7-26 | 1850.00 |
| 7065  | 7-14 | 1200.00  | *     | 7-23 | 500.00  |
| 7066  | 7-14 | 389.58   | *     | 7-21 | 100.00  |
| 7067  | 7-26 | 1000.00  | *     | 7-06 | 400.00  |



1 David N. Chandler, Sr. SBN 60780  
David N. Chandler, Jr. SBN 235427  
2 DAVID N. CHANDLER, p.c.  
1747 Fourth Street  
3 Santa Rosa, CA 95404  
Telephone: (707) 528-4331

4 Attorneys for Debtor

6 UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA

8 IN RE: CASE No. 10-12153

9 CHAPTER 11  
PROWEST MEDIA CORPORATION,

10  
11 Debtor. / CERTIFICATE OF SERVICE

12 I am a citizen of the United States, and over the age of  
13 eighteen (18) years, employed at 1747 Fourth Street, Santa Rosa,  
14 California, and not a party to the within action.

15 On August 23, 2010, I served a copy of the MONTHLY OPERATING  
16 REPORT, MONTH ENDED 7/31/10 on the interested parties in said action  
17 by placing a true copy thereof enclosed in a sealed envelope with  
18 postage thereon fully prepaid in the United States post office mail  
19 box at Santa Rosa, California, addressed as follows:

20 (See attached)

21 I, JANE F. KAMAS, declare under penalty of perjury that the  
22 foregoing is true and correct.

23 Executed on August 23, 2010, Santa Rosa, California.

24  
25 /s/ Jane F. Kamas  
JANE F. KAMAS

Label Matrix for local noticing  
0971-1  
Case 10-12153  
Northern District of California  
Santa Rosa  
Mon Aug 23 09:51:39 PDT 2010

Bay Area Video Coalition  
2727 Mariposa St., 2nd Fl.  
San Francisco, CA 94110-1401

CA Employment Development Dept.  
Bankruptcy Group MIC 92E  
P.O. Box 826880  
Sacramento, CA 94280-0001

EDD  
State of California  
Bankruptcy Unit - MIC 92E  
P.O. Box 826880  
Sacramento, CA 94280-0001

Franchise Tax Board  
Bankruptcy Group  
P.O. Box 2952  
Sacramento, CA 95812-2952

(p)INTERNAL REVENUE SERVICE  
CENTRALIZED INSOLVENCY OPERATIONS  
PO BOX 21126  
PHILADELPHIA PA 19114-0326

Jim French Studios, Inc.  
c/o MacConaghy & Barnier, PLC  
645 First St. West  
Sonoma, CA 95476-7040

John H. MacConaghy  
MacConaghy and Barnier  
645 1st St. W #D  
Sonoma, CA 95476-7044

Ray H. Olmstead  
Law Offices of Ray H. Olmstead  
P.O. Box 15031  
Santa Rosa, CA 95402-7031

Prowest Media Corporation  
P.O. Box 1550  
Boyes Hot Springs, CA 95416-1550

A Bright Printing  
346 9th St.  
San Francisco, CA 94103-3809

Blue Cross of California  
P.O. Box 4194  
Woodland Hills, CA 91365-4194

California Exotic Novelties, LLC  
c/o Labowe, Labowe & Hoffman, LLP  
1631 W. Beverly Blvd.  
2nd Floor  
Los Angeles, CA 90026-5710

FedEx  
3965 Airways, Module G  
Memphis, TN 38116

FutureWorks  
c/o Michael V. Mahoney  
595 Market St., Ste. 1350  
San Francisco, CA 94105-2825

Incubus Entertainment  
512 Jersey St.  
San Francisco, CA 94114-3613

Richard W. Labowe  
Labowe, Labowe and Hoffman  
1631 W Beverly Blvd. 2nd Fl.  
Los Angeles, CA 90026-5710

Mansion Productions, Inc.  
P.O. Box 452254  
Los Angeles, CA 90045-8529

Palace Press  
3160 Kerner Blvd., Unit 108  
San Rafael, CA 94901-5454

Rob Casale  
aka Martin Kramer  
27841 Persimmon, #44  
Mission Viejo, CA 92691-6657

BAOL, sro  
Gorkeho 11  
SK-81103  
Bratislava, SLOVAKIA

Breene Graphics  
9510 Vassar Ave.  
Chatsworth, CA 91311-4141

David N. Chandler  
Law Offices of David N. Chandler  
1747 4th St.  
Santa Rosa, CA 95404-3601

R. James Fisher  
2 Padre Parkway, Suite 300  
Rohnert Park, CA 94928-2116

Timothy Hoffman, Trustee  
c/o Ray H. Olmstead  
P.O. Box 15031  
Santa Rosa, CA 95402-7031

Internap, LLC  
250 Williams St.  
Atlanta, GA 30303-1032

Law Offices of R. James Fisher  
2 Padre Pkwy., Ste. 300  
Rohnert Park, CA 94928-2116

Office of the U.S. Trustee / SR  
235 Pine Street  
Suite 700  
San Francisco, CA 94104-2736

Paladin Video, Inc.  
6750 Boulder Hwy.  
Las Vegas, NV 89122-7467

Tom Settle  
P.O. Box 1550  
Boyes Hot Springs, CA 95416-1550

Stan Loeb  
6750 Boulder Hwy.  
Las Vegas, NV 89122-7467

Stone & Stone, LLP  
15281 Ventura Blvd., Ste. 245  
Encino, CA 91403

VS International  
828 Chester St.  
Oakland, CA 94607-1924

Winthrop Properties, Inc.  
7 Bulfinch Pl., Ste. 500  
P.O. Box 9507  
Boston, MA 02114-9507

The preferred mailing address (p) above has been substituted for the following entity/entities as so specified  
by said entity/entities in a Notice of Address filed pursuant to 11 U.S.C. 342(f) and Fed.R.Bank.P. 2002 (g)(4).

IRS  
P.O. Box 21126  
Philadelphia, PA 19114

(d)IRS  
P.O. Box 21126  
Philadelphia, PA 19114-0326

|                     |    |
|---------------------|----|
| End of Label Matrix |    |
| Mailable recipients | 33 |
| Bypassed recipients | 0  |
| Total               | 33 |